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**STATE OF VERMONT
DEPARTMENT OF PUBLIC SERVICE**

MEDIA RELEASE

**STATE ASKS NRC FOR FORMAL HEARING ON
VERMONT YANKEE SAFETY ISSUE**

MONTPELIER, VT – The Department of Public Service today asked the Nuclear Regulatory Commission for a formal hearing concerning particular technical issues in connection with the application by Entergy for approval to increase power output at the Vermont Yankee nuclear plant in Vernon. The DPS request for hearing seeks a full, formal adjudicatory process, including a formal hearing with live witnesses, and a period of time for full discovery, the question-and-answer process used to gather information for use in testimony and cross-examination. DPS also requested the right to amend its position in the case based upon the results of the independent assessment now being undertaken by the NRC, which is expected to be completed in mid-September.

"DPS continues to closely evaluate safety considerations implicit in Entergy's 'uprate' application, particularly regarding the issue of containment overpressure. We are asking the NRC to allow us to get those questions answered before a decision is reached on approval of the uprate," said David O'Brien, DPS Commissioner. "The state does not want to see the principle of 'defense in depth' eroded in any way. This principle -- that multiple safety system are critical to protecting the public -- is really what is at stake here," he continued.

The "containment overpressure" issue concerns the calculations by Vermont Yankee of how increased power output would effect the operation of emergency cooling pumps in the event of an accident involving the reactor. DPS expressed concern to the NRC as early as December of 2003 concerning Entergy's calculations, and the "credit" given to contained pressure within the reactor in avoiding a shortage of cooling capacity in a worst-case scenario. The request for a hearing details DPS concerns about the allowance for containment overpressure in general by NRC and the specific way Entergy has used containment overpressure as a margin of safety in the plan to increase output of the plant.

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The NRC in July set a deadline of August 30, 2004, for requests for a formal hearing. The DPS request was filed in accordance with that deadline. The NRC will rule on the request for a hearing probably in November 2004. In addition, DPS asked that it be allowed to amend its filing regarding containment overpressure once the results of the independent assessment by the NRC is complete. NRC earlier told Vermont officials that it would allow the state to submit amended or new contentions based on the inspection findings, so long as they comply with late-filing standards, which require that the information must not have been available before, that it is materially different from information previously available and that it is submitted in a timely fashion.